



## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### Centers for Medicare & Medicaid Services

#### Privacy Act of 1974; Matching Program

**AGENCY:** Centers for Medicare & Medicaid Services (CMS), Department of Health and Human Services (HHS).

**ACTION:** Notice of New Matching Program.

**SUMMARY:** In accordance with subsection (e)(12) of the Privacy Act of 1974, as amended, the Department of Health and Human Services (HHS), Centers for Medicare & Medicaid Services (CMS) is providing notice of a new matching program between CMS and the Department of the Treasury (Treasury), Internal Revenue Service (IRS), “Verification of Household Income and Family Size for Insurance Affordability Programs and Exemptions.”

**DATES:** The deadline for comments on this notice is [INSERT DATE 30 DAYS AFTER PUBLICATION IN THE *FEDERAL REGISTER*]. The re-established matching program will commence not sooner than 30 days after publication of this notice, provided no comments are received that warrant a change to this notice. The matching program will be conducted for an initial term of 18 months (from October 5, 2022 to April 4, 2024) and within 3 months of expiration may be renewed for one additional year if the parties make no change to the matching program and certify that the program has been conducted in compliance with the matching agreement.

**ADDRESSES:** Interested parties may submit comments on the new matching program to the CMS Privacy Officer by mail at: Division of Security, Privacy Policy & Governance, Information Security & Privacy Group, Office of Information Technology, Centers for Medicare & Medicaid Services, Location: N1-14-56, 7500 Security Blvd., Baltimore, MD 21244-1850, or by email to [Barbara.Demopoulos@cms.hhs.gov](mailto:Barbara.Demopoulos@cms.hhs.gov).

**FOR FURTHER INFORMATION CONTACT:** If you have questions about the matching program, you may contact Anne Pesto, Senior Advisor, Marketplace Eligibility and Enrollment Group, Center for Consumer Information and Insurance Oversight, Centers for Medicare & Medicaid Services, at 410-786-3492, by email at [anne.pesto@cms.hhs.gov](mailto:anne.pesto@cms.hhs.gov), or by mail at 7500 Security Blvd., Baltimore, MD 21244.

**SUPPLEMENTARY INFORMATION:** The Privacy Act of 1974, as amended (5 U.S.C. 552a) provides certain protections for individuals applying for and receiving federal benefits. The law governs the use of computer matching by federal agencies when records in a system of records (meaning, federal agency records about individuals retrieved by name or other personal identifier) are matched with records of other federal or non-federal agencies. The Privacy Act requires agencies involved in a matching program to:

1. Enter into a written agreement, which must be prepared in accordance with the Privacy Act, approved by the Data Integrity Board of each source and recipient federal agency, provided to Congress and the Office of Management and Budget (OMB), and made available to the public, as required by 5 U.S.C. 552a(o), (u)(3)(A), and (u)(4).
2. Notify the individuals whose information will be used in the matching program that the information they provide is subject to verification through matching, as required by 5 U.S.C. 552a(o)(1)(D).

3. Verify match findings before suspending, terminating, reducing, or making a final denial of an individual's benefits or payments or taking other adverse action against the individual, as required by 5 U.S.C. 552a(p).
4. Report the matching program to Congress and the OMB, in advance and annually, as required by 5 U.S.C. 552a(o) (2)(A)(i), (r), and (u)(3)(D).
5. Publish advance notice of the matching program in the *Federal Register* as required by 5 U.S.C. 552a(e)(12).

This matching program meets these requirements.

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Barbara Demopulos,  
Privacy Act Officer,  
Division of Security, Privacy Policy and Governance,  
Information Security and Privacy Group,  
Office of Information Technology,  
Centers for Medicare & Medicaid Services.

#### **PARTICIPATING AGENCIES:**

The Department of Health and Human Services (HHS), Centers for Medicare & Medicaid Services (CMS) is the recipient agency, and the Department of the Treasury (Treasury), Internal Revenue Service (IRS) is the source agency.

#### **AUTHORITY FOR CONDUCTING THE MATCHING PROGRAM:**

The statutory authority for the matching program is 42 U.S.C. 18001.

#### **PURPOSE(S):**

The purpose of the matching program is to provide CMS with IRS return information which CMS and state-based administering entities (AEs) will use to verify household income and family size for applicants and enrollees receiving eligibility determinations and redeterminations for benefits under the Patient Protection and Affordable Care Act (PPACA), including: enrollment in a Qualified Health Plan (QHP) or a state's Basic Health Plan (BHP) through the federally-facilitated Exchange (FFE) or a state-based Exchange (SBE); advance payments of the premium tax credit (APTC); a cost sharing reduction (CSR); enrollment in Medicaid and the Children's Health Insurance Program (CHIP); and certain certificates of exemption.

#### **CATEGORIES OF INDIVIDUALS:**

The individuals whose information will be used in the matching program are consumers (applicants and enrollees) who receive the eligibility determinations and redeterminations described in the preceding Purpose(s) section (in particular, taxpayers whose return information is requested from IRS to verify an applicant's or enrollee's household income and family size).

#### **CATEGORIES OF RECORDS:**

The categories of records used in the matching program are identity information and return information (specifically, household income and family size information). To request return information from IRS, CMS will provide IRS with the relevant taxpayer's name, social security number (SSN), and relationship to the applicant(s) or enrollee(s) (i.e., primary, spouse, or dependent). When IRS is able to match the SSN and name provided by CMS and return information is available, IRS will disclose to CMS the following items of return information with respect to that taxpayer:

1. SSN;
2. family size;
3. tax filing status;

4. modified adjusted gross income (MAGI);
5. taxable Social Security benefits;
6. adjusted gross income (AGI) for adjusted tax returns;
7. taxable year with respect to which the preceding information relates or, if applicable, the fact that such information is not available; and
8. any other specified item of return information authorized pursuant to 26 U.S.C. 6103(1)(21) and its implementing regulations.

**SYSTEM(S) OF RECORDS:**

The records used in this matching program will be disclosed from the following systems of records, as authorized by routine uses published in the System of Records Notices (SORNs) cited below:

**A. System of Records Maintained by CMS**

- CMS Health Insurance Exchanges System (HIX), CMS System No. 09-70-0560, last published in full at 78 FR 63211 (Oct. 23, 2013), as amended at 83 FR 6591 (Feb. 14, 2018).

**B. System of Records Maintained by IRS**

- Customer Account Data Engine (CADE) Individual Master File, Privacy Act SOR Treasury/IRS 24.030, published at 80 FR 54064 (Sept. 8, 2015).

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